



ETF Symbol Description	Weekly Closing Price	Price / % Change from last week	Short-term trend	Long-term trend	Short-term price target	Long-term price target	Position Bias
EEM ishrs MSCI Em. Mkts	34.69	+2.05 / +5.91%	↑	→↓	-	-	-
FXI ishrs China Lrg Cap	34.48	+2.00 / +5.80%	↑	→↓	-	-	-
HYG ishrs ibovx \$HY Corp	84.47	+1.22 / +1.44%	→↑	→↓	-	-	-
XLF S&P SPDR Financials	22.74	+0.66 / +2.90%	↓	→↓	-	19.85, 18.90	short
XLI S&P SPDR Industrials	56.19	+1.81 / +3.22%	↓	↑	-	-	-
XLK S&P SPDR Tech	43.47	+1.19 / +2.74%	↓	↑	-	-	-
XLV S&P SPDR Hlth Care	72.16	+2.87 / +3.98%	→↑	→↓	-	-	-

Constantine Theodosiou
ct@newcoll.com

New College Capital Ltd
39-40 St. James's Place
London SW1A 1NS
Tel + 44 20 7495 8720
Fax + 44 20 7495 8668

www.newcoll.com

EEM (ishares MSCI Em. Mkts): This is what we wrote two weeks ago: *"Best to stand aside to let the dust settle. It may take a while until the picture clears."* No change.

FXI (ishares China Lrg Cap): *As per EEM*

HYG (ishares ibovx \$high yield): No change

XLF (S&P Financials): This is what we wrote two weeks ago: *"This market breaks down and it's time to look seriously at the short side again. Financials are usually the canary in the mine. Let's see how this works out this time."* After this week's rally, it looks like a "textbook" short.

XLI (S&P Industrials): The massive sell-off of June 23rd and 24th, followed by the sharp rally, have totally thrown the trend picture into disarray. Best to stay in the sidelines.

XLK (S&P Technology): Another sector best avoided and followed by the sidelines until the dust settles.

XLV (S&P Healthcare): This is what we wrote two weeks ago: *"Another market with many conflicting signals. In general, we have to accept that in the last couple of months equities are not doing much across the board. We get constantly start-stop signals with no significant price change, if any. Patience is in order."* No change

This document is issued by, and the property of, New College Capital Ltd ("New College") which is authorised and regulated in the UK by the Financial Conduct Authority ("FCA") under reference 430986.

The information contained herein is current at the date of publication, but is subject to change without notice. The information, including any third party data is published in good faith and New College believes that the information is accurate at the time of publication but no representation or warranty, express or implied, is made by New College as to its accuracy or completeness and it should not be relied on as such. New College has expressed its own views and opinions, and these may change without notice. This document is not directed at you if New College is prohibited by any law of any jurisdiction from making the contents available to you and is not intended for any use that would be contrary to local law or regulation. None of the information is intended to constitute any offer to sell or an invitation or solicitation of an offer to buy any product or service by New College and must not be relied upon in connection with any investment decision. Products or services mentioned are subject to legal and regulatory requirements in applicable jurisdictions and may not be available in all jurisdictions. Accordingly persons are required to inform themselves of and observe any such restrictions. Nothing in this website should be construed as investment, tax, legal or other advice.

Past performance is not necessarily a guide to future performance. The value of investments and the income of any financial instruments mentioned may fall as well as rise, and investors may get back less than the amount originally invested. Fluctuations in exchange rates may have a positive or an adverse effect on the value of foreign-currency denominated securities and financial instruments. Certain investments involve an above-average degree of risk and should be seen as long-term in nature. The investment products and services described in the website may have tax consequences. Any tax reliefs referred to are those currently available and their value depends on the circumstances of the individual investor. You acknowledge that levels and bases of taxation may change, and that New College does not provide tax advice. You should consult your own tax advisor in order to understand the tax consequences of the products and services described in the website.

It is the responsibility of the individual user to consider his or her legal and regulatory position in the relevant jurisdiction, the risks associated with trading such products and to ensure that the use of the content and the subsequent making of any investment does not contravene any such restrictions or applicable laws and regulations of any jurisdiction. Please seek the advice of professionals, as appropriate, regarding the evaluation of any specific security, index, report, opinion, advice or other content. This does not exclude or restrict any duty or liability that New College has to its professional clients under the Financial Services and Markets Act 2000 (as amended from time to time) or any other regulatory system under the laws of applicable jurisdictions.

New College shall therefore have no liability, save for any liability that New College may have under the UK Financial Services and Markets Act 2000, for any loss or damage arising out of the use or reliance on the information provided including without limitation, any loss of profit or any other damage, direct or consequential.



How to read the table

Market futures unless indicated (Contract month)	Weekly Closing Price (1)	Change from last week (2)	Short-term trend (3)	Long-term trend (4)	Short-term price target (5)	Long-term price target (6)	Position Bias (7)
EURUSD (Dec '15)	1.1241	+0.0038	→↑	→↓	1.1713, 1.1748, 1.1870	1.1713	-

- Weekly price close
- Change from last week
- Short-term trend
- Long-term trend
- Short-term price target
- Long-term price target
- This is not a recommendation to enter the market per se but rather a bias on the direction from which to enter if an appropriate trading/investment opportunity presents itself
 - When "long", we're thinking of entering from the long side
 - When "short", we're thinking of entering from the short side or at the very least we're out
 - When "-", then we're not thinking about this market

So looking at the above table we know that:

- EURUSD Dec 2015 future closed at 1.1241
- On a closing basis, EURUSD rallied 0.0038
- The short-term trend is side-up
- The long-term trend is side-down
- We have short-term price targets of 1.1713, 1.1748 and 1.1870
- We have long-term price targets of 1.1713
- We have no bias as to where this market is heading, hence we're not thinking about entering

How to benefit from the analysis

"The presumed positive relationship between risk and return is predicated on the assumption that there's no such thing as investment skill and value-added decision making. If markets are efficient and there's no skill, it's reasonable to believe that higher returns can be attained only through the bearing of increased risk. But if outstanding skill is present, there's no reason to think that it can't be used to create portfolios with low risk and high return potential." Howard Marks, Oaktree Capital Management L.P.

Making money in the markets is not easy and requires second-level thinking. The main purpose of the analysis is to help one's decision process by being properly positioned in a market to avoid a big hit. "Staying in the game" is an absolute prerequisite for long term success and it's mostly overlooked by the public. Results will ultimately depend on execution, managing one's risk and emotions and the use of common sense.

What it does

The analysis is based on a quantitative method. The sole purpose is to detect the trend – or lack of it – and to produce price targets (PT). What you read in the table is purely a quantitative output. However, the decision to trade/invest also depends on qualitative inputs, which is not the purpose of this write-up. At all times, remember that a market is in either of the 3 states below:

- Uptrend
- Downtrend
- Undecided

Basic principles

- In an uptrend we're either out, long or looking to enter from the long side
- In a downtrend we're either out, short or looking to enter from the short side
- When there is no trend, we simply wait until the market tells us where it wants to go

When a market is in trend, then we get signals that produce PT. In an uptrend, the PT is higher than current price. In a downtrend, lower. The PT is in effect until achieved or negated.

Constantine Theodosiou
ct@newcoll.com

New College Capital Ltd
39-40 St. James's Place
London SW1A 1NS
Tel + 44 20 7495 8720
Fax + 44 20 7495 8668

www.newcoll.com

This document is issued by, and the property of, New College Capital Ltd ("New College") which is authorised and regulated in the UK by the Financial Conduct Authority ("FCA") under reference 430986.

The information contained herein is current at the date of publication, but is subject to change without notice. The information, including any third party data is published in good faith and New College believes that the information is accurate at the time of publication but no representation or warranty, express or implied, is made by New College as to its accuracy or completeness and it should not be relied on as such. New College has expressed its own views and opinions, and these may change without notice. This document is not directed at you if New College is prohibited by any law of any jurisdiction from making the contents available to you and is not intended for any use that would be contrary to local law or regulation. None of the information is intended to constitute any offer to sell or an invitation or solicitation of an offer to buy any product or service by New College and must not be relied upon in connection with any investment decision. Products or services mentioned are subject to legal and regulatory requirements in applicable jurisdictions and may not be available in all jurisdictions. Accordingly persons are required to inform themselves of and observe any such restrictions. Nothing in this website should be construed as investment, tax, legal or other advice.

Past performance is not necessarily a guide to future performance. The value of investments and the income of any financial instruments mentioned may fall as well as rise, and investors may get back less than the amount originally invested. Fluctuations in exchange rates may have a positive or an adverse effect on the value of foreign-currency denominated securities and financial instruments. Certain investments involve an above-average degree of risk and should be seen as long-term in nature. The investment products and services described in the website may have tax consequences. Any tax reliefs referred to are those currently available and their value depends on the circumstances of the individual investor. You acknowledge that levels and bases of taxation may change, and that New College does not provide tax advice. You should consult your own tax advisor in order to understand the tax consequences of the products and services described in the website.

It is the responsibility of the individual user to consider his or her legal and regulatory position in the relevant jurisdiction, the risks associated with trading such products and to ensure that the use of the content and the subsequent making of any investment does not contravene any such restrictions or applicable laws and regulations of any jurisdiction. Please seek the advice of professionals, as appropriate, regarding the evaluation of any specific security, index, report, opinion, advice or other content. This does not exclude or restrict any duty or liability that New College has to its professional clients under the Financial Services and Markets Act 2000 (as amended from time to time) or any other regulatory system under the laws of applicable jurisdictions.

New College shall therefore have no liability, save for any liability that New College may have under the UK Financial Services and Markets Act 2000, for any loss or damage arising out of the use or reliance on the information provided including without limitation, any loss of profit or any other damage, direct or consequential.